
HOUSE BILL No. 1433

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-13-17.

Synopsis: Surety bonds for state public works projects. Provides that certain state public works contracts may not require a contractor or subcontractor to obtain a surety bond from a specific insurance or surety company, agent, or broker. Permits these public works contracts, to the extent consistent with law, to require a contractor or subcontractor to meet part or all of the bonding or insurance requirements for the project under a negotiated arrangement. Requires the department of insurance to establish a program to provide surety technical assistance services to benefit historically underutilized businesses.

Effective: July 1, 2004.

Crawford

January 20, 2004, read first time and referred to Committee on Insurance, Corporations and Small Business.

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Introduced

Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

HOUSE BILL No. 1433

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 4-13-17 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2004]:

Chapter 17. Bonding for Historically Underutilized Businesses

Sec. 1. This chapter applies to a contract covered by any of the following:

(1) IC 4-13.6.

(2) IC 5-16.

(3) IC 8-23-9.

Sec. 2. As used in this chapter, "historically underutilized business" refers to a business that satisfies all of the following:

(1) The business is a small business.

(2) The business is a for-profit corporation, sole proprietorship, partnership, or joint venture.

(3) More than fifty percent (50%) of the shares of stock or other equitable securities of the small business are owned by one (1) or more individuals who are either of the following:

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(A) A member of a minority group (as defined in IC 4-13-16.5-1).

(B) Women.

Sec. 3. As used in this chapter, "small business" means an entity that qualifies as a small business under 13 CFR 121 (as in effect on January 1, 2004).

Sec. 4. A contract to which this chapter applies may not require a contractor or subcontractor to obtain a surety bond from any specific insurance or surety company, agent, or broker.

Sec. 5. To the extent consistent with law, a contract to which this chapter applies may require a contractor or subcontractor to meet part or all of the bonding or insurance requirements for a project under a negotiated arrangement.

Sec. 6. (a) The department of insurance shall establish a program to provide surety technical assistance services to benefit historically underutilized businesses.

(b) The department may contract with insurance companies, surety companies, agents, or brokers to implement the program.

(c) The following shall assist the department of insurance in the establishment and implementation of the program:

(1) The Indiana department of administration.

(2) The Indiana department of transportation.

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